



NEWSLETTER



Wheatland County FSA Office February 2011

809 2nd Ave NW
Harlowton, MT 59036-0669

406-632-5622 phone
406-632-4624 fax
www.fsa.usda.gov/mt
jeri.pavlovick@mt.usda.gov

County Committee

Members:

Steve Moore- Chair
Bob Jones- Vice Chair
Julie Thorson- Member

Next County Committee

Meeting:

To be announced

County Office Staff:

Donna Hagberg-PT
Myrna Mysse-PT
Jeri Pavlovick-CED

Agricultural Lending

Opportunities

Questions regarding
obtaining credit to start or
enlarge a farming or ranching
operation;
financing agricultural
operating expenses; or
livestock, machinery
purchases call:
Yellowstone County FSA
Office (406)657-6135

Mike Turley-FLM ext. 116
Bruce Johnson-FLO ext 109

Reasonable Accommodations:

Persons with disabilities who
require accommodations to
attend or participate in any FSA
programs should contact the
County Executive Director at the
FSA Office or the Federal Relay
Service at 1-800-877-8339.

CRP General Signup announced for March 14 to April 15, 2011

General signup for the Conservation Reserve Program (CRP) will begin on March 14, 2011, and continue through April 15, 2011. During the signup period, Montana farmers and ranchers may offer eligible land for CRP's competitive general signup at their county Farm Service Agency (FSA) office.

Through the 2008 Farm Bill, CRP is authorized for a maximum enrollment of 32 million acres. USDA estimates that contracts on 3.3 million to 6.5 million acres are scheduled to expire annually between now and 2014. Land currently not enrolled in CRP may be offered in this signup provided all eligibility requirements are met. Additionally, current CRP participants with contracts expiring this fall may make new contract offers. Contracts awarded under this signup are scheduled to become effective Oct. 1, 2011. In Montana, 2.9 million acres of the state's 18,721,501 cropland acres are currently actively enrolled in the CRP program. Of the state's active CRP acres; 498,661 acres are scheduled to expire on Sept. 30, 2011; 696,523 acres on Sept. 30, 2012 and 638,841 acres on Sept. 30, 2013.

As administrator of the Conservation Reserve Program, FSA will evaluate and rank eligible CRP offers using an Environmental Benefits Index (EBI) that assists in calculating the environmental benefits to be gained from the contract. The EBI consists of five environmental factors (wildlife, water, soil, air and enduring benefits). Cost factors are also entered into the equation.

In addition to the general sign-up, FSA's CRP Continuous Sign-up Program is ongoing. Continuous acres represent the most environmentally desirable and sensitive land. For more information, visit www.fsa.usda.gov and view *Conservation Programs*.

2009 Supplemental Revenue Assistance Payments Program (SURE) Signup Set from Jan. 10 to July 29, 2011

The 2008 Farm Bill created several new disaster programs. One of the programs, the Supplemental Revenue Assistance Payments Program (SURE), provides financial assistance for crop production and/or quality losses due to a natural disaster. SURE is a total farm revenue disaster program as opposed to the crop disaster programs of previous years, which were primarily production oriented programs. Therefore, all crops that a producer has an interest in are not only evaluated as to the production loss and quality, but revenue as well.

To be eligible for SURE a producer must have at least a 10 percent production loss on a crop of economic significance; a policy or plan of insurance under the Federal Crop Insurance Act or the Noninsured Crop Disaster Assistance Program (NAP) for all economically significant crops; and have a farming interest physically located in a county that was declared a primary disaster county or contiguous county by the Agriculture Secretary under a Secretarial Disaster Designation.

Without a Secretarial Disaster Designation, individual producers may be eligible if the actual production on the SURE farm is less than 50 percent of the normal production on the SURE farm due to a natural disaster.

Producers considered socially disadvantaged, a beginning farmer or rancher, or a limited resource farmer may be eligible for SURE without a policy or plan of insurance or NAP coverage.

PAYMENTS - SURE will issue payments to an eligible producer in the amount equal to 60% of the difference between the program guarantee and the total farm revenue. SURE will pay up to 90% of the crop's normal production on the farm. If you meet the guidelines of the program in 2009, i.e. a 10% production loss (associated with adverse weather) on one crop of economic significance and crop insurance (CAT/NAP) purchased on all 2009 crops (other than the exceptions previously explained), contact the county FSA office as soon as possible. Signup for 2009 crops begins January 10, 2011 and ends on July 29, 2011.

County Committee Election Results

Congratulations to Julie Thorson who was elected to represent farmers and ranchers from LAA #3 on the county committee. Julie was elected to her first consecutive term. The results of the January organizational meeting are as follows:

- Steve Moore- Chairman
- Bob Jones- Vice-Chair
- Julie Thorson- Member

FSA appreciates all of the voters for taking the time to complete the election ballot. The county committee system works only because of your participation.

Conservation Loan Program

The 2008 Farm Bill authorized the new Conservation Loan (CL) program. The program allows FSA to provide direct or guaranteed conservation loans to eligible borrowers to cover the cost of implementing qualified conservation projects.

Eligibility for the CL program requires a conservation plan to be approved by NRCS. Funds can be used to implement conservation programs approved by USDA, such as the Conservation Reserve Program (CRP), Environmental Quality Incentives Program, Wildlife Habitat Incentive Program, Wetlands Reserve Program and the Conservation Stewardship Program for the installation of conservation structures; establishment of forest cover; installation of water conservation measures; establishment or improvement of permanent pastures; implementation of manure management; and the adaptation of other emerging or existing conservation practices, techniques or technologies. As an example, applying new techniques and technologies would be converting expired CRP acreage to organic production.

Direct CLs can be obtained through local FSA offices with loan limits up to \$300,000. Guaranteed CLs up to \$1,112,000 are available from lenders working with FSA. Please contact the Wheatland County FSA Office for more information, (406)632-5622 ext. 2.

Livestock Indemnity Program

The Livestock Indemnity Program (LIP) provides assistance to eligible livestock owners and contract growers for eligible livestock deaths in excess of normal mortality due to adverse weather including losses due to floods, blizzards, disease, wildfires, extreme heat, and extreme cold. For 2011 losses, producers must file a notice of loss the earlier of either 30 calendar days of when the loss of livestock was apparent to the participant or October 31, 2011. A notice of loss can be reported to the office by phone, fax, or e-mail. Eligible livestock deaths must have occurred in the calendar year for which benefits are being requested. An Application for payment may be filed at any time in 2011, but must be filed no later than 30 calendar days after the end of the calendar year in which the loss of livestock occurred. Please contact the office for additional eligibility requirements. A list of eligible livestock is available at www.fsa.usda.gov/mt.

1099-G is in the Mail

Producers who have received payments from FSA are also receiving a CCC-1099-G in the mail. A CCC-1099-G is a report to the Internal Revenue Service regarding FSA payments made to producers during the previous calendar year. The CCC-1099-G is a service to help participating producers report taxable income.

When the CCC-1099-G is received, it should be checked with your records to see that the amounts are correct. It is not intended to replace the program participant's responsibility to report income to the IRS.

ATTENTION: Refunds are no longer reported on the 1099-G, but will be available online from the FSA Financial Inquiries (FSA-FI) web-based database.

Program participants with an eAuthentication user ID and password may access their refund information at FSA-FI and select "Inquiry Type 1099/Refund Reports". Refund amounts are displayed on the Producer's Year-to-Date Activity web page.

If you have a question concerning the 1099-G refund information, you may contact your local FSA office for assistance locating the correct payment data.

Cooperation with Risk Management Agency:

The Agricultural Risk Protection Act of 2000 requires the Farm Service Agency (FSA) and the Risk Management Agency (RMA) to work together to improve program compliance and integrity of the Federal Crop Insurance Program. As a result of the passage of the 2000 Act, RMA and FSA are required to coordinate a plan to identify, address and reconcile discrepancies of all relevant producer-derived information, and to coordinate a monitoring program to include fact finding relative to allegations of program fraud, waste, and abuse. FSA will assist RMA and insurance providers in monitoring conditions throughout the growing season and conduct growing season inspections. All suspected cases of fraud, waste, and abuse concerning the Federal Crop Insurance Program will be referred to RMA. FSA will also assist RMA with auditing claims. Producers may also report suspected cases of fraud, waste, and abuse to their local FSA County Office, the RMA Office or OIG.

Commodity Loans

Commodity loans, also referred to as Marketing Assistance Loans, are available to producers who share in the risk of producing the crop. To be eligible, you must maintain beneficial interest in the crop through the time of application. Beneficial interest means retaining the ability to make decisions about the commodity, responsibility for all risk of loss or damage to the commodity, and title to the commodity. During the term of the loan, loss of beneficial interest is a violation of loan provisions. Violating provisions of a marketing assistance loan may trigger administrative actions, such as assessing liquidated damages, calling the loan and denial of future farm-stored loans. The most common violations are removing or disposing of a commodity being used as loan collateral without prior authorization and providing an incorrect quantity certification.

NAP coverage deadlines for 2011 Crop Year

The Non-Insured Crop Disaster Assistance Program (NAP) was designed to provide financial assistance to producers of non-insurable crops when low yields or prevented planting occurs as the result of natural disasters. Statutes limit NAP coverage to each commercial crop or agricultural commodity (except livestock), for which the catastrophic (CAT) level of insurance is not available.

The application and sales closing deadline for 2011 NAP coverage is **March 15, 2011**, for all NAP crops other than value loss and honey. The deadline for value-loss crops was Sept. 1, 2010 and Dec. 1, 2010, for honey.

Producers who choose to obtain NAP coverage for 2011 must file a CCC-471 application for coverage and pay the applicable service fee by the sales closing deadline. Eligible producers must pay a service fee of \$250 per crop per administrative county or \$750 per producer per county, not to exceed \$1875 for a producer with farming interests in multiple counties. Service fees may be waived for limited-resource producers. Contact the office, 632-5622 ext. 2 for more information.

For the 2011 crop year it is imperative that producers purchase either NAP or a catastrophic (CAT) level of crop insurance for all insurable and non-insurable crops. This is not only for production coverage, but also for eligibility for the new permanent disaster programs created in the 2008 Farm Bill.

In order for producers to be eligible for assistance under the Supplemental Revenue Assistance (SURE) Program and the Emergency Assistance for Livestock, Honeybees and Farm-Raised Fish Program (ELAP), and the Tree Assistance Program (TAP), producers must obtain a plan of insurance for each insurable and non-insurable commodity on the farm, **excluding grazing**. To be eligible for assistance under the Livestock Forage Disaster Program (LFP), producers must obtain either coverage under the Pasture, Rangeland, and Forage Rainfall Index pilot Program offered through crop insurance, or NAP coverage, or both on their grazing.

Farming Operation Changes

If you have bought or sold land, or if you have added or dropped rented land from your operation, make sure you report the changes to the office as soon as possible. You need to provide a copy of your deed or recorded land contract for purchased property. Failure to maintain accurate records with FSA on all land you have an interest in can lead to possible program ineligibility and penalties. Making the record changes now will save you time in the spring. Update signature authorization when changes in the operation occur. Producers are reminded to contact the office of a change in operations on a farm so that records can be kept current and accurate.

Farm Storage Facility Loan Program

FSA's Farm Storage and Facility Loan (FSFL) Program provides low-interest financing for producers of eligible commodities to build or upgrade farm storage and handling facilities. The maximum principal amount of a loan through FSFL is \$500,000. Participants are required to provide a down payment of 15 percent, with Commodity Credit Corporation (CCC) providing a loan for the remaining eighty five (85) percent of the net cost of the eligible storage facility and permanent drying and handling equipment. Loan terms of seven, ten, or twelve years are available depending on the amount of the loan.

Interest rates for each term rate may be different and are based on the rate which CCC borrows from the Treasury Department. Payments are available in the form of a partial disbursement and the remaining final disbursement. A partial disbursement of up to 50 percent of the total loan amount will be available, if desired, after a portion of the construction has been completed. The final disbursement will be made when all construction is completed.

An FSFL generally must be approved before the delivery of any materials are accepted and before any site preparation or construction is begun. The following commodities are eligible for farm storage facility loans: corn, grain sorghum, soybeans, oats, wheat, barley, or minor oilseeds harvested as whole grain; corn, grain sorghum, wheat, oats, or barley harvested as other than whole grain; hay; renewable biomass; fruits (including nuts) and vegetables—cold storage facilities. Among other requirements, borrowers are responsible for obtaining annual multi-peril crop insurance or NAP coverage and all-peril insurance on the FSFL structure listing CCC as the loss payee. For more information, contact the local office, 632-5622 ext. 2.

Special Accommodations

Special accommodations will be made upon request for individuals with disabilities, vision impairment or hearing impairment. If accommodations are required, individuals should contact the county FSA office staff directly or by phone, (406)632-5622 ext. 2.



CSP information needed

NRCS would like Conservation Stewardship Program (CSP) applicants to have the following booklets completed and submitted to the Harlowton Field office by February 18th, 2011:

- [2011-1 CSP Montana Application Workbook](#)
- [2001-1 CSP Montana Enhancement Workbook](#)

If you have any questions, please call John Oiestad, (406) 632-5534 ext. 106.

Wheatland County FSA Office
P.O. Box 669
Harlowton, MT 59036-0669



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Selected Interest Rates -February 2011

Farm Operating - Direct	2.250%
Farm Ownership - Direct	4.750%
Farm Ownership - Direct Down Payment, Beginning Farmer or Rancher	1.500%
Conservation Loan	4.750%
Emergency - Actual Loss	3.750%
Farm Storage Facility - 7-year	2.750%
Farm Storage Facility - 10-year	3.475%
Farm Storage Facility - 12-year	3.625%
Commodity Loans 1996-Present	1.250%
90-Day Treasury Bill	0.125%

Upcoming Important Dates to Remember:

Oct. 1, 2010: 2011 DCP Sign-up Began & Continues
Oct. 1, 2010: 2011 ACRE Sign-up Began & Continues
Jan. 10, 2011: SURE Program Signup for 2009 Crop Year Begins
Feb. 1: Sorghum Referendum begins
Feb. 21: USDA Service Centers closed for President's Day
Feb. 28: Last day to vote in Sorghum Referendum
March 14: CRP General Signup Begins
March 15: NAP Sales Closing Date for All Other Crops except Value-Loss and Honey
March 31: Final Date to Request 2010 Marketing Assistance Loans/LDPs on Barley, Canola, Crambe, Flaxseed, Honey, Oats, Rapeseed, Wheat, and Sesame Seed
April 15: CRP General Signup Ends
May 31: Final Date to Request 2010 Marketing Assistance Loans/LDPs on Corn, Dry Peas, Grain Sorghum, Lentils, Mustard Seed, Safflower Seed, Chickpeas, Soybeans, and Sunflower Seed
June 1: 2011 DCP & 2011 ACRE Programs Filing Deadline
July 29: SURE Sign-up Deadline for 2009 Crop Year
Continues: Contiguous Conservation Reserve Program

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